

Michigan Department of Civil Service

REGULATION

Appointing Authority Letter Reference: CS-6940	Effective Date: March 18, 2001	Index Reference: Shift Differential	Regulation Number: 5.03
Issuing Bureau: Human Resource Services	Rule Reference: Rule 5-4 (Additional Compensation: Overtime, etc.)		Replaces: Compensation Procedure 3 (October 1, 1999)
Subject: SHIFT DIFFERENTIAL			

Table of Contents

1.	Purpose.....	1
2.	Civil Service Rule Reference.....	1
3.	Standards.....	2

1. **PURPOSE**

This regulation establishes the standards for the payment of a shift differential premium for eligible nonexclusively represented employees.

2. **CIVIL SERVICE RULE REFERENCE**

Rule 5-4 Additional Compensation: Overtime, etc.

* * *

5-4.5 Shift Differential

- (a) ***Eligibility.*** *The compensation schedules must identify each classification that is eligible for shift differential premium. The shift differential premium is payable to an eligible employee for each shift in which more than 50 percent of the employee's regularly scheduled shift falls between 4:00 p.m. and 5:00 a.m.*
- (b) ***Rate.*** *The shift differential premium is 5 percent of an employee's regular rate.*

* * *

3. STANDARDS

- A.** Employees in certain classification levels are eligible for a shift premium of 5 percent above straight-time rates, rounded to the nearest cent:
 - 1.** Nonexclusively Represented Employees — Eligible classification levels, as determined by the state personnel director, are identified by shift eligibility code of “Y” in Section A of the Compensation Plan.
 - 2.** Exclusively Represented Employees — Refer to the applicable collective bargaining agreement.
- B.** Shift differential premium is paid to eligible employees for each shift when 50 percent or more of their regularly scheduled shift falls between the hours of 4:00 p.m. and 5:00 a.m.
- C.** Shift differential premium is included as part of the regular rate for computation of the premium for overtime hours worked by eligible employees working regularly scheduled afternoon and night shifts (See regulation 5.02, Premium Payment of Overtime, On-Call Compensation, and Callback Compensation).
- D.** Shift differential premium is not paid for holiday time off or leave time used.
- E.** The value of shift differential premium is not included in determining the value of fringe benefits which are based on pay rate; all fringe benefits are based on the straight time pay rates.
- F.** An employee reassigned from a day shift to an afternoon or a night shift is paid shift differential premium as in the case of regularly assigned afternoon and night shifts.
- G.** When an employee takes the place of an absent worker and either of the employees is eligible for shift differential premium, the employee must be paid shift differential premium in addition to any eligible overtime.

March 18, 2001	Reg. 5.03: Shift Differential	Page 3 of 3
----------------	--------------------------------------	-------------

CONTACT

Questions regarding this regulation should be directed to the Department of Civil Service, P.O. Box 30002, 400 South Pine Street, Lansing, Michigan 48909, (517) 335-7862 or (517) 373-7618, or MDCS-BHRS@state.mi.us.

NOTE: Regulations are issued by the State Personnel Director under authority granted in the State of Michigan *Constitution* and the *Michigan Civil Service Commission Rules*. Regulations that implement Commission Rules are subordinate to those Rules.